



**BART RUSSELL
TESTIMONY
CONNECTICUT COUNCIL OF SMALL TOWNS (COST)
BEFORE THE APPROPRIATIONS COMMITTEE
MARCH 20, 2009**

RE: HB-5143, AN ACT CONCERNING THE DATE FOR ADOPTION OF THE MUNICIPAL AID PORTION OF THE STATE BUDGET.

State aid to municipalities is a significant portion of a town's budget. Towns are finding it increasingly difficult to craft a balanced, responsible budget because they do not have reliable information regarding how much state aid they can expect. Towns are being asked to do more with less and even a few thousand dollars less than what was budgeted creates problems.

Since the mill rate is set based on the town's budget, if less state aid comes in, the town will face a shortfall, resulting in necessary midyear cuts or layoffs. This situation makes it difficult for towns to move forward with planned projects. It also results in deferred maintenance, which ends up costing towns more in the long run.

In order to give towns the opportunity to develop realistic budgets, COST supports efforts to require the state to adopt the municipal aid portion of the state budget in March, when towns and boards of education are beginning to draft their budgets.